



July 8, 2011

EX PARTE

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92; High-Cost Universal Service Support, WC Docket No. 05-337; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109

Dear Ms. Dortch:

On Wednesday, July 6, 2011, Alan Buzacott and Kathy Grillo (Verizon), Jeff Lanning and Melissa Newman (CenturyLink), Eric Einhorn (Windstream), Joel Lubin and Hank Hultquist (AT&T), Mike Saperstein (Frontier) and I met with Zac Katz (Office of Chairman Genachowski), Michael Steffen (Office of General Counsel) and Carol Matthey, Rebekah Goodheart, Patrick Hailey, Victoria Schlesinger, Marcus Maher and Amy Bender (Wireline Competition Bureau). We discussed several issues involved in reforming the current universal service and intercarrier compensation systems.

On intercarrier reform, we discussed the potential for a broad consensus proposal that reforms and lowers terminating rates that carriers pay each other in the absence of individual agreements, the advantages and disadvantages of including reform of originating rates in such a proposal, how to properly incorporate VoIP traffic exchanged between communications carriers into a reformed system as well as how to size the amount of such traffic. In the intercarrier reform area, we also discussed how shifts in intercarrier access revenues could be measured and potentially recovered in ways other than through per minute charges that may distort incentives to use communications services and whether reciprocal compensations revenues should be included in any circumstances. We also discussed the possibility of establishing incentives that would lead to a smooth reform path for lowering and harmonizing intercarrier rates as well as how to measure the consumer benefits of such a transition.

Ms. Marlene Dortch

July 8, 2011

Page 2 of 2

On reform of universal service, our discussion centered on identifying whether and where it is appropriate to establish a limited right-of-first-refusal for potential recipients of explicit support for the construction and operation of broadband networks. We discussed options for matching obligations to construct and operate broadband in high-cost areas with explicit support within a budget based on the amount of current High Cost Fund support. We also discussed the potential role of satellite broadband in providing broadband service to the very highest cost to serve locations and the interplay between reliance on satellite broadband in these locations and the overall size of an explicit support fund for broadband.

Pursuant to Commission rules, please include a copy of this filing in each of the above-referenced dockets.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jonathan Banks", with a stylized, flowing script.

Jonathan Banks

c: Zac Katz
Michael Steffen
Carol Matthey
Rebekah Goodheart
Patrick Hailey
Victoria Schlesinger
Marcus Maher
Amy Bender